

EXHIBIT 9

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS**

COMMONWEALTH OF
MASSACHUSETTS, ATTORNEY
GENERAL DANA NESSEL ON BEHALF
OF THE PEOPLE OF THE STATE OF
MICHIGAN, STATE OF ILLINOIS,
STATE OF ARIZONA, STATE OF
CALIFORNIA, STATE OF
CONNECTICUT, STATE OF COLORADO,
STATE OF DELAWARE, STATE OF
HAWAI'I, STATE OF MAINE, STATE OF
MARYLAND, STATE OF MINNESOTA,
STATE OF NEW JERSEY, STATE OF
NEW YORK, STATE OF NEVADA,
STATE OF NEW MEXICO, STATE OF
NORTH CAROLINA, STATE OF
OREGON, STATE OF RHODE ISLAND,
STATE OF VERMONT, STATE OF
WASHINGTON, and STATE OF
WISCONSIN,

Plaintiffs,

v.

NATIONAL INSTITUTES OF HEALTH;
MATTHEW MEMOLI, M.D., M.S., in his
official capacity as Acting Director of the
National Institutes of Health; U.S.
DEPARTMENT OF HEALTH AND
HUMAN SERVICES; and DOROTHY
FINK, in her official capacity as Acting
Secretary of the U.S. Department of Health
and Human Services,

Defendants.

Case No. _____

Declaration of Theresa A. Maldonado

I, Theresa A. Maldonado, hereby declare:

1. I am a resident of the State of California. Since 2020, I have been employed by the University of California (UC), Office of the President, as the systemwide Vice President for Research & Innovation. In addition to my current role, I have a Ph.D. in electrical engineering and over 30 years' academic experience.
2. As the UC system's Vice President for Research & Innovation, I have personal knowledge of the matters set forth below, or have knowledge of the matters based on my review of information and records gathered by UC staff. If called as a witness, I could and would testify competently to the matters set forth below.
3. As Vice President for Research & Innovation, I lead UC researchers and administrators in research policy, funding for systemwide programs, and the innovation and entrepreneurship ecosystem. We work to build UC-wide partnerships, help shape effective policies and provide a strong voice nationally for research and innovation on behalf of UC.
4. As the systemwide leader for research and innovation, I work very closely with the Vice Chancellors for Research from each UC campus, and I am in regular contact with them to identify any issues impacting UC systemwide research, including concerns related to research funding.
5. I am providing this declaration to explain certain impacts of National Institutes of Health ("NIH") Notice Number NOT-OD-25-068, *Supplemental Guidance to the 2024 NIH Grants Policy Statement: Indirect Cost Rates* ("Notice"), which purports to immediately reduce facilities and administrative costs payments (also known as indirect costs) to 15%.

6. The UC system has 10 research-intensive campuses, six academic medical centers, 21 health professional sciences schools, multiple student health centers, and a statewide agriculture research and extension division. UC also manages three affiliated U.S. Department of Energy national laboratories, including the Lawrence Berkeley National Laboratory, the Lawrence Livermore National Laboratory, and the Los Alamos National Laboratory.
7. UC has more than 200,000 employees, making it California's third-largest employer. Its workforce purchases goods and contributes to local economies across the state. UC generates more than \$80 billion in economic activity statewide.
8. The University's 21 health professional sciences schools, five NCI-designated cancer centers, and six academic medical centers are widely recognized as among the best in the nation, and they are international leaders in the education of health professionals, in research that develops new cures and treatments, and in public service that provides healthcare for all Californians regardless of ability to pay.
9. UC is one of the nation's leading research institutions, with almost 9% of all U.S. academic research being conducted by UC researchers.
10. Biomedical advancements at UC include the first radiation treatment for cancer, research contributing to the first flu vaccine, the discovery of the role of LDL and HDL cholesterol in heart disease, the invention of modern gene editing, and much more.
11. UC's budget relies on federal funding for its research mission. The research mission at UC includes, but is not limited to, allocated funding for staffing, clinical trials, dissemination of results, public outreach, teaching and training students and others, equipment, and numerous other activities to fulfill the research mission and serve the people of California and the United States.

12. Federal funds are UC's single most important source of support for its research, accounting for more than half of UC's total research awards.
13. In FY 2023, the total amount of federal research awards to UC was over \$3 billion.
14. NIH research funding supports the United States' scientific competitiveness worldwide and enables the US to be a global innovation leader. NIH research funding has led to scientific breakthroughs that have improved human health, including new treatments for cancer and diabetes, and declining death rates for heart attack and stroke.
15. Recovering costs of research is essential to maintain the operations of a research university like UC. To perform research that is sponsored by federal agencies, UC incurs a variety of other significant costs that it would not otherwise incur. Facilities and administrative cost rates apply to federally-sponsored research, providing a means of recovering some, but not all, of the costs incurred in the conduct of externally sponsored research that are shared across a large number of projects as well as other functions of the university. They include things such as the maintenance of sophisticated, high-tech laboratories designed for cutting-edge federally sponsored research, secured cyberinfrastructure and data repositories, utilities such as light and heat, telecommunications, hazardous waste disposal, and the infrastructure necessary to comply with a broad range of legal, regulatory, and reporting requirements. These resources not only support the infrastructure and buildings that house pioneering research teams, but also the personnel who assure the safety of adults and children enrolling in clinical trials for cancer and chronic disease, the ethics teams that assure those trials are done safely, and the data and privacy teams that protect research subjects' personal data.
16. In FY 2023, UC received a total of over \$2 billion in NIH contract and grant funding. A significant portion of that funding is derived from facilities and administrative cost

reimbursements, which are set at a higher negotiated rate than set forth in the NIH Notice. UC is likely facing a loss of hundreds of millions of dollars annually in facilities and administrative cost recovery as a result of the NIH Notice. The loss of facilities and administrative cost reimbursements, especially at this level, will have an immediate deleterious impact on the success of the research projects and our ability to maintain the same level of staffing critical to support those research projects.

17. Research funding is typically awarded through competitive grants processes, meaning that the annual research budget varies from year to year and is dependent on the success of UC's researchers in these competitions. Federally supported research comes to UC campuses in a combination of both single- and multi-year awards. NIH awards are typically multi-year projects. UC campuses receive and expend hundreds of millions of dollars annually in multi-year awards for their projects, centers, and institutes, and can proceed with establishing budget estimates for planning purposes in reliance on the facilities and administrative cost recovery rates periodically negotiated between individual campuses and the federal government (the Department of Health and Human Services) that set rates for three to five years.

18. NIH promotes medical research, education, training, and practice at UC and other universities through a strategic combination of funding for many individual research projects, as well as support for a few very large, long-term research programs and centers that involve multiple institutions through subawards. Program awards, unlike the thousands of individual investigator awards to UC from NIH, may receive continuous funding for periods of over five years before NIH again opens the program to competitive renewal. Some of these

programs put UC in a grant management role, redistributing NIH's funding through subawards to other institutions nationwide as well as to UC researchers.

19. In developing its annual budget, UC did so with the expectation that it would receive the substantially higher facilities and administrative cost recovery rates that had been negotiated and memorialized in a contract with the Department of Health and Human Services through the designated legal process. The NIH Notice's sudden reduction in anticipated federal funds will cause budgetary and operational chaos that will have an immediate negative impact on the research projects and programs.
20. The NIH Notice creates confusion and uncertainty for UC and the programs we oversee. The reduction in facilities and administrative costs ordered by the NIH Notice will leave gaping holes in the budgets that support the facilities and staff where UC research occurs and will stop us from serving and meeting some of our critical missions, including education, patient care, and research.
21. On an annual basis, the federal government is the largest single sponsor of UC's research enterprise. Because of the cap created by the NIH Notice, many individuals (including faculty, staff, and students), programs, and initiatives receiving federal funding almost certainly would be forced to significantly scale back or halt their research. This outcome will be potentially devastating to the research projects, to the training of new medical personnel, and to the University's research enterprise, regardless of discipline.
22. The reduction of federal funding to the UCs as set forth in the NIH Notice would be devastating for the system. It would result in broad reduction of services, including impact on education, delivery of care to patients, and research.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Executed this 9th day of February, 2025, in Oakland, California.

Theresa A. Maldonado

Theresa A. Maldonado, Ph.D., P.E.
Vice President for Research & Innovation
University of California, Office of the
President